

## Message Text

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21

ACTION NEA-10

INFO OCT-01 ISO-00 EB-07 COME-00 TRSE-00 CIAE-00 INR-07

NSAE-00 /025 W

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R 020545Z JAN 76

FM AMEMBASSY TEHRAN

TO SECSTATE WASHDC 4978

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E.O. 11652: N/A

TAGS: BDIS

SUBJECT: LETTER OF CREDIT FROM IRANIAN ALUMINUM

REF: STATE 303626

1. EMBOFF TALKED WITH GENE REED OF IRALCO DECEMBER 30 WHO SAID DELAY IN OPENING \$385,000 LETTER CREDIT ATTRIBUTABLE TO GOI PLAN AND BUDGET ORGANIZATION REQUIREMENT THAT VARIETY OF GOI PRIOR APPROVALS BE OBTAINED.

2. IRAN DEVELOPMENT AND RENOVATION ORGANIZATION(IDRO-THE QUASI-GOVERNMENT ENTITY WHICH HOLDS 82 PERCENT IRALCO SHARES WITH BALANCE HELD BY REYNOLDS AND GOVERNMENT OF PAKISTAN), HAS OBTAINED MINCOMMERCE APPROVAL, MININDUSTRIES IMPORT LICENSE FOR EQUIPMENT AND MET OTHER REQUIREMENTS EXCEPT INSURANCE COVERAGE NOW BEING ARRANGED.

3. REED INTIMATED THAT PLAN AND BUDGET ENTERED OBJECTION TO ACCEPTANCE BY REED/IRALCO MANAGEMENT OF SUNBEAM'S FIRST PROPOSAL AS FINAL CONTRACT, ALTHOUGH HE BELIEVES THERE IS NO PROBLEM WITH ULTIMATE ACCEPTANCE CONTRACT AS WRITTEN AND ANTICIPATES LETTER CREDIT BEING OPENED IN NEXT TWO-FOUR WEEKS. HE SAYS NEED FOR THIS EQUIPMENT IS CLEARLY DEMONSTRABLE IF IRALCO IS TO MEET PRODUCTION GOALS SET.

4. COMMENT: THIS APPEARS TO BE YET ANOTHER EXAMPLE

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OF IMPOSITION OF BUDGET TIGHTENING AND COST-BENEFIT

ANALYSIS MEASURES WHICH GOVERNMENT SPOKESMAN HAVE ENUNCIATED AS NEW POLICY IN RECENT MONTHS. IDRO'S BUDGET FOR THE CURRENT YEAR HAS BEEN REDUCED AND WILL BE CUT FURTHER IN NEXT YEAR, ACCORDING TO MANAGING DIRECTOR TASLIMI, AND THERE IS NO DOUBT THAT COMPANIES OPERATING WITH IDRO PARTICIPATION WILL BE MONITORING EXPENDITURES MUCH MORE CAREFULLY THAN MAY HAVE BEEN CASE IN PAST TWO YEARS.

5. ACTION REQUESTED: REED REQUESTS YOU NOTIFY BOB ROSS OF SUNBEAM THAT HE PLANNING ARRIVE RICHMOND, VIRGINIA AREA JANUARY 12 FOR CONSULTATIONS AND WILL BE TELEPHONING ROSS SHORTLY THEREAFTER TO DISCUSS SITUATION.  
HELMS

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NNN

## Message Attributes

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**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** n/a  
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**Draft Date:** 02 JAN 1976  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** morefirh  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
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**Disposition Reason:**  
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**Executive Order:** N/A  
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**Reference:** 76 STATE 303626  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** morefirh  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 08 JUN 2004  
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**Status:** NATIVE  
**Subject:** LETTER OF CREDIT FROM IRANIAN ALUMINUM  
**TAGS:** BDIS  
**To:** STATE  
**Type:** TE  
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